

**GOVERNMENT OF INDIA  
EXTERNAL AFFAIRS  
LOK SABHA**

STARRED QUESTION NO:59  
ANSWERED ON:26.07.2006  
VISIT OF NEPALESE PRIME MINISTER  
Adityanath Yogi Shri ;Reddy Shri Suravaram Sudhakar

**Will the Minister of EXTERNAL AFFAIRS be pleased to state:**

- (a) whether the Prime Minister of Nepal visited India recently and held talks with our Prime Minister;
- (b) if so, the details of the discussions held during the said visit;
- (c) the outcome thereof; and
- (d) the steps proposed to be taken by both countries to resolve the various issues viz., Maoist insurgency, supply of arms etc.?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI E. AHAMED)

(a)-(d) A statement is placed on the table of the House.

STATEMENT REFERRED TO IN THE ANSWER TO THE LOK SABHA STARRED QUESTION NO. 59, TO BE ANSWERED ON 26.07.2006 ON "VISIT OF NEPALESE PRIME MINISTER"

(a) – (d) The Prime Minister of Nepal His Excellency Mr. G.P. Koirala paid an official visit to India from 6-9 June 2006 and held talks with our Prime Minister. The two Prime Ministers shared their views and assessments of the situation in both the countries. They agreed that the restoration of democracy in Nepal provided a historic opportunity for a qualitative enhancement of bilateral relations between the two countries. They also agreed that the success of democracy lay in creating an atmosphere free from violence and coercion, and respect for the rule of law.

Prime Minister offered India's full support to the Government of Seven Party Alliance under the leadership of His Excellency Mr. G.P. Koirala, Prime Minister of Nepal and to the people of Nepal in their quest to build a stable, peaceful, democratic and prosperous Nepal.

Prime Minister conveyed India's readiness to render all possible assistance to Nepal for accelerating economic rehabilitation and development. A copy of the Joint Press Statement issued upon the conclusion of the visit, which contains the out come of the visit, is placed on the table of the House.

The Government of India and Government of Nepal are engaged in a dialogue at various levels to address the entire gamut of bilateral issues between them.

Joint Press Statement, Official Visit of Rt. Hon'ble Girija Prasad Koirala, Prime Minister of Nepal, to India from 6-9 June 2006

The Rt. Hon'ble Girija Prasad Koirala, Prime Minister of Nepal, paid an official visit to India from 6-9 June 2006 at the invitation of His Excellency Dr. Manmohan Singh, Prime Minister of India. The Prime Minister of Nepal was accompanied by Hon'ble Mr. Gopal Man Shrestha, Minister for Physical Planning & Works, Hon'ble Mr. Mahantha Thakur, Minister for Agriculture and Cooperatives, Hon'ble Dr. Ram Saran Mahat, Minister for Finance, Hon'ble Mr. Rajendra Prasad Pande, Minister for Local Development, Hon'ble Ms. Urmila Aryal, Minister of State for Women, Children and Social Welfare and Adviser to the Prime Minister on Foreign Affairs, Dr. Suresh Chandra Chalise. The delegation also included senior officials of the Government of Nepal, a business delegation and a delegation of media representatives.

2. During his visit, the Prime Minister of Nepal visited Rajghat and paid homage to the memory of Mahatma Gandhi. The Prime Minister called on His Excellency the President of India, Dr. A.P.J. Abdul Kalam and on His Excellency the Vice President of India, Shri Bhairon Singh Shekhawat, who hosted a dinner in his honour. The Prime Minister of Nepal had a meeting with the Prime Minister of India, which was followed by delegation-level talks, led by the two Prime Ministers, on issues of mutual interest and concern. The Prime Minister of India hosted a dinner in honour of the Prime Minister of Nepal. Minister of Defence Shri Pranab Mukherjee, Minister of Home Shri Shivraj Patil, and the leader of Opposition in the Lok Sabha Shri L.K. Advani called on the Prime Minister of Nepal. The Prime Minister of Nepal had a meeting with the Chairperson of United Progressive Alliance (UPA) and the President of Indian National Congress, Smt. Sonia Gandhi as well as former Prime Minister Shri Chandra Shekhar.

3. The talks were held in an atmosphere of utmost cordiality and warmth. The two Prime Ministers shared their views and

assessments of the situation in both the countries. They agreed that the restoration of democracy in Nepal provided a historic opportunity for a qualitative enhancement of bilateral relations between the two countries, which rest on age-old social, economic and cultural ties; shared faith in democracy, freedom and the rule of law; and pursuit of peace, stability and prosperity. They reaffirmed their commitment to impart a new dimension and dynamism in their relations based on the principles of peaceful coexistence, sovereign equality, territorial integrity, mutual respect and understanding.

4. The Prime Minister of India extended a warm welcome to Prime Minister Girija Prasad Koirala as the leader of democratic forces and conveyed his best wishes for his good health and continued leadership, as he leads Nepal at an important juncture in its history. He described the visit as being of great historical significance. He applauded the extraordinary courage and achievements of the people of Nepal in their successful struggle for restoration of multi-party democracy and commitment towards institutionalising it. The Prime Minister of India commended the recent initiatives taken by the Government of Nepal to bring about peace, stability and return to the path of economic recovery.

5. The Prime Minister of India reiterated that as a close friend and a neighbour, India wishes to see a stable, peaceful, democratic and prosperous Nepal. He offered India's full support to the Government of Seven Party Alliance under the leadership of Rt. Hon'ble G.P. Koirala, Prime Minister of Nepal, and to the people of Nepal in their quest to achieve these goals, and expressed confidence in their ability to overcome the challenges that lie ahead.

6. The Prime Minister of Nepal conveyed the appreciation of the people of Nepal to the people and the Government of India for the support extended to them in their peaceful struggle for restoration of democracy.

7. The Prime Minister of India appreciated the initiatives taken by the Prime Minister of Nepal to consolidate the achievements of the People's Movement by finding a peaceful solution to the armed conflict, restoring political stability and moving towards economic reconstruction for the welfare of the people of Nepal. The two Prime Ministers agreed that the success of democracy lay in creating an atmosphere free from violence and coercion, and respect for the rule of law.

8. The Prime Ministers acknowledged the vital importance of accelerating economic rehabilitation and development in Nepal. The Prime Minister of India conveyed India's readiness to render all possible assistance to Nepal in that direction, in accordance with the priorities and wishes of the Government of Nepal. The Prime Minister of Nepal expressed appreciation to the Government of India for their generous cooperation in the socio-economic development of Nepal.

9. In this context, the Prime Ministers agreed to enhance the India-Nepal development partnership for expanding rural and economic infrastructures, developing education and healthcare facilities, and building human resources in Nepal. The Prime Ministers agreed to revive bilateral initiatives and mechanisms existing between the two countries in the areas of socio-economic cooperation.

10. The Government of India expressed its readiness to:

(a) Expedite progress on long-term mega infrastructure projects in the areas of roads, railway linkages, border infrastructure, water resources and construction of an oil pipeline, Special Economic Zone, airports upgradation, and other areas to be mutually agreed upon by the both governments.

(b) Extend immediately a one-time grant of I.Rs. 100 crore to the budget of Government of Nepal.

(c) Offer a soft credit line of US \$ 100 million for the execution of infrastructure development projects as prioritised by the Government of Nepal.

(d) Enhance its 'Aid to Nepal' budget for the current financial year from I.Rs. 65 crore to I.Rs. 150 crore annually.

(e) Waive the dues outstanding as on date owed by the Government of Nepal to the Government of India on account of defence purchases.

(f) Arrange immediately supply of 25,000 metric tons of fertilizers to Nepal at subsidized prices.

(g) Grant exemption to all exports of goods manufactured in Nepal into India from the 4% Additional Duty of Customs.

(h) Accelerate the release of all funds to Nepal under the Duty Refund Procedure Scheme.

(i) Double the number of scholarships provided by the Government of India for Nepalese students, including for girls.

(j) The Indian Oil Corporation will work out with Nepal Oil Corporation modalities for rescheduling the dues owed to it on account of oil supplies.

11. The Prime Ministers agreed that there would be early follow up to implement the above decisions so as to ensure that the benefits reach the people of Nepal, and economic cooperation between India and Nepal is further strengthened for mutual benefit.

12. The Prime Minister of Nepal extended an invitation to the Prime Minister of India to pay an official visit to Nepal at an early date. The Prime Minister of India accepted the invitation with pleasure. The visit will take place at a mutually convenient date.

New Delhi, June 9, 2006